

Fiscal Note



Serving the Iowa Legislature Fiscal Services Division

<u>HF 542</u> – Unemployment Compensation Disqualifications (LSB1628HV) Analyst: Ron Robinson (Phone: (515)281-6256) (<u>ron.robinson@legis.iowa.gov</u>) Fiscal Note Version – New

Description

<u>House File 542</u> increases the amount of wages a person who has drawn unemployment benefits must earn in order to be eligible for benefits in the next benefit year from \$250 to eight times the person's weekly benefit amount.

Background

Annually, approximately 395 workers qualify for another benefit year by earning at least \$250 and less than eight times their weekly benefit amount and receive unemployment benefits totaling \$2.1 million. The average weekly benefit for calendar year 2016 was \$369.

Assumptions

Persons who are unemployed will not change their behavior in order to have additional earnings to draw unemployment.

Fiscal Impact

The Bill will reduce payments from the Unemployment Insurance Trust Fund by approximately \$2.1 million annually beginning with FY 2018.

Sources

Iowa Department of Workforce Development

 /s/ Holly M. Lyons	
March 9, 2017	

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.